

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6583**  
**BILL NUMBER:** HB 1333

**NOTE PREPARED:** Feb 17, 2015  
**BILL AMENDED:** Feb 16, 2015

**SUBJECT:** Higher Education Financial Assistance.

**FIRST AUTHOR:** Rep. Truitt  
**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) *National Guard*: This bill amends eligibility requirements for scholarships under the National Guard Tuition Supplement Program and the National Guard Scholarship Extension Program. It establishes cumulative grade point average requirements for the renewal of scholarships under the National Guard Tuition Supplement Program.

It provides that for an applicant to be eligible for a first year Higher Education Award, the applicant not be eligible for a National Guard tuition supplement grant or a scholarship under the National Guard Scholarship Extension Program.

*CVO Program*: The bill amends the cumulative grade point average requirements for certain tuition and fee exemptions for children of veterans.

*CVO Program*: The bill amends the definition of "eligible student" for purposes of the employment aid readiness network (EARN) Indiana program.

**Effective Date:** July 1, 2015.

**Explanation of State Expenditures:** (Revised) *National Guard*: The bill could increase the number of students that might be eligible for the National Guard Tuition Supplement Program and the National Guard Scholarship Extension Program by eliminating the requirement that an applicant must be an Indiana resident. A member of the Indiana National Guard does not have to be an Indiana resident. For FY 2014, 733 students received about \$3.5 M, or \$4,512 per student, in National Guard Supplemental Grants.

The change on the cumulative grade point average requirement makes the requirement for the National Guard Tuition Supplement Program the same as the renewal requirement for other scholarships. The impact is probably minor.

The provision not allowing a student to qualify for both a Higher Education Award and the National Guard Tuition Supplement Grant or a Scholarship under the National Guard Scholarship Extension Program is done so the accurate cost of the National Guard program is known. The provision should have no fiscal impact.

*CVO Program:* No students have currently lost funding due to cumulative grade-point average requirements. The requirement was repealed on other scholarships. The change is unlikely to have a significant fiscal impact.

*EARN:* The bill would change the definition of eligible student to include a student that was offered an award to a student that meets the financial eligibility requirement regardless of the date the application is filed. The bill could increase the number of students that would be eligible to participate in the EARN program. Last year about 187 students participated in the program, with a cost of about \$366,627, or about \$1,960 per participant.

*Additional Information:* The EARN program was created in the summer of 2013 to replace the state's work-study program. A qualified employer may be an approved college or university, a unit of state or local government, a not-for-profit organization, or a for-profit company (with preference given to small businesses). The state provides matching funds to pay a portion of the student's salary during the internship. Students work between 12 and 20 hours during the academic year and 12 and 40 hours during the summer. The internship must be for at least 8 weeks.

The following is a summary of the participation for the new program.

Reporting Period	Number of Students	Number of Employers	Reimbursement
May 1- August 15, 2013	57	30	\$85,682.95
August 16- December, 2013	61	27	\$21,073.78
January 1- April 30, 2014	23	16	\$19,868.74
May 1- August 15, 2014	154	82	\$346,758.02
August 16- December, 2014*	34*	17*	\$38,960.98*
<b>Total</b>			<b>\$512,344.50</b>
*Reimbursements for this period of the program are still being submitted and paid, so these numbers will change.			

Since FY 2013 was the first year for the EARN program, the expenditures in FY 2014 are higher as more students and employers participate.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Higher Education Commission.

**Local Agencies Affected:**

**Information Sources:** Higher Education Commission, 317-464-4400.

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